



ORIGINAL

AT&T Nevada
645 E. Plur
PO Box 11
Reno, NV



0000073938

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2007 JUN 15 P 1:40

June 14, 2007

AZ CORP COMMISSION
DOCKET CONTROL

Via Overnight Mail

Docket Control Center
ARIZONA CORPORATION COMMISSION
1200 W. Washington Street
Phoenix, AZ 85007

Re: AT&T Communications of the Mountain States, Inc., Revised Tariff (Docket No. T-02428A-07-0067)

Enclosed please find an original and 13 copies of the responses of AT&T Corporation of the Mountain States, Inc., ("AT&T") to Staff's Second Set of Data Requests dated May 30, 2007 in the above-referenced proceeding.

On June 7, 2007, Pamela Genung and I agreed to an extension until June 15, 2007 for AT&T to respond.

Please contact me if you have any questions or need additional information.

Sincerely,

Janice L. Ono
Associate Director - Regulatory

Enclosures

cc: Pamela Genung (via email and Overnight Mail)

Arizona Corporation Commission
DOCKETED

JUN 15 2007

DOCKETED BY

nr



Proud Sponsor of the U.S. Olympic Team

Question: Please explain and provide calculations how AT&T arrived at the initial proposed rate for the Arizona In-State Connection Fee of \$1.49 per month?

Response: The monthly fee, which is state-specific, is determined based on the additional costs incurred by AT&T due to the higher intrastate access rates charged by incumbent and competitive local carriers in Arizona compared to the interstate access rates charged by incumbent and competitive local carriers in Arizona.

The specific calculation for the initial proposed rate of \$1.49 per month for the Arizona In-State Connection Fee was previously provided in response to PJG1-10.

Responsible Person: Eileen Somerville
Senior Pricing Manager
Business Marketing
AT&T Operations, Inc.
340 Mt. Kemble Avenue, Morristown, NJ

Question: Please explain and provide calculations how AT&T arrives at the proposed maximum rate for the Arizona In-State Connection Fee of \$4.50 per month.

Response: For states that require a carrier to identify both a maximum rate and an initial price, AT&T's practice has been to generally set the maximum rate at three times the initial price.

Responsible Person: Eileen Somerville
Senior Pricing Manager
Business Marketing
AT&T Operations, Inc.
340 Mt. Kemble Avenue, Morristown, NJ

Question: In AT&T's response to PJG1-12, AT&T indicated that the consumer In-State Connection Fee has been implemented in 29 states. Please confirm whether this Fee is on an intrastate basis.

Response: Yes, the Arizona In-State Connection Fee is an intrastate charge and the In-state Connection Fees implemented in the other 29 states are also intrastate charges.

Responsible Person: Eileen Somerville
Senior Pricing Manager
Business Marketing
AT&T Operations, Inc.
340 Mt. Kemble Avenue, Morristown, NJ

Question: As a supplement to AT&T's response to PJG1-12, please provide the applicable tariff pages and copies of Orders approving the In-State Connection Fee in the following States:

- a. Colorado
- b. New Mexico
- c. Oklahoma
- d. Texas
- e. Utah

Response: The states listed above do not issue written orders for services filed in MTS tariffs. The tariffs become effective by operation of law.

Colorado was de-tariffed effective April 1, 2006. The COISCFCURRENT.pdf file below has the tariff sheets prior to de-tariffing and a sheet showing the Service Guide current rate.

See the following attached files which contain applicable initial and current tariff pages of In-State Connection Fee for the states listed above:

Colorado: Initial Tariff



COISCFINITIAL.pdf

Colorado: Current Tariff



COISCFCURRENT.pdf

New Mexico: Initial Tariff



NMISCFINITIAL.pdf

New Mexico: Current Tariff



NMISCFCURRENT.pdf

Oklahoma: Initial Tariff & Current Tariff



OKISCFINIT&CURR.pdf

Texas: Initial Tariff



Texas: Current Tariff



Utah: Initial Tariff



Utah: Current Tariff



Regarding the Commission's request for copies of orders approving the In-State Connection Fee in the above-listed states, as previously stated, we do not normally receive written Orders for services filed in MTS tariffs. The tariffs become effective by operation of law.

However, we did receive a notice from the Oklahoma Staff that AT&T's tariff became effective without Commission Order – see attached as follows:



The following are the dates the tariffs became effective:

- New Mexico (was effective 10/1/03)
- Oklahoma (was effective 09/15/01)
- Texas (was effective 07/01/04)
- Utah (was effective 05/03/)

Responsible Person: Paul Nelson
Area Manager-Regulatory Operations
External Affairs-Corp
AT&T Services, Inc.
795 Folsom Street, San Francisco, CA

Attachments to PJG2-4

Colorado: Initial Tariff

AT&T COMMUNICATIONS OF
THE MOUNTAIN STATES, INC.
COLORADO
ISSUED: April 30, 2001

TELECOMMUNICATIONS
SERVICES
TERMS AND CONDITIONS

SECTION: 4
PAGE: 9.1
RELEASE: 1
EFFECTIVE: May 15, 2001

MESSAGE TELECOMMUNICATIONS SERVICE

4.3 Two-Point Service (Cont'd)

(N)

4.3.2 Rates and Charges (Cont'd)

G. Service Charges (Cont'd)

- State Cost Recovery Charge

Rate per call[1]

\$ RR

A monthly service charge that is applied to AT&T Customers for in-state long distance calls placed from a residential telephone line or billed to a residential account. This charge reflects the cost to AT&T of providing in-state long distance service over the customer's local exchange provider's network.

Customers in AT&T's Lifeline program and Federal Price Protection Plan as well as those customers making less than \$1.00 worth of long distance calls a month are exempt from this service charge.

NOTE 1: See Price List for current rates.

(N)

AT&T COMMUNICATIONS OF
THE MOUNTAIN STATES, INC.
COLORADO
ISSUED: April 30, 2001

TELECOMMUNICATIONS
SERVICES
PRICE LIST

SECTION: 4
PAGE: 3
RELEASE: 12
EFFECTIVE: May 15, 2001

MESSAGE TELECOMMUNICATIONS SERVICE

4.3 Service Charges

	Maximum Charge Per Call [1]		
	Billed to		
	<u>LEC Card</u>	<u>Commercial Cards</u>	<u>All Other Calls</u>
- Customer Dialed Calling Card Station			
-Customer Dialed/Automated	\$.80	\$.80	
-Customer Dialed and Operator Assisted	\$.80	\$.80	
-Customer Dialed - Operator Must Assist	\$.80	\$.80	
- Operator Dialed Calling Card	\$ 2.10	\$ 2.10	
- Operator Station (Includes Real Time Rated Calls)			
- Collect			\$ 2.10
- Billed to Third			\$ 2.17
- Sent Paid Non-Coin			\$ 2.10
- Sent Paid Coin			\$ 1.80
- Person-to-Person Includes (Includes Real Time Rated Calls)			
- Sent Paid - Coin			\$ 3.90
- All Other Calls	\$ 3.90	\$ 3.90	\$ 3.90
- Non-Subscriber Service Charge			
- Rate per call			\$ 1.30
- State Cost Recovery Charge			
- Rate per month			\$ 1.25

(N)
|
(N)

Colorado: Current Tariff

AT&T COMMUNICATIONS OF
THE MOUNTAIN STATES, INC.
COLORADO
ISSUED: May 28, 2003

TELECOMMUNICATIONS
SERVICES
TERMS AND CONDITIONS

SECTION: 4
PAGE: 9.1
RELEASE: 2
EFFECTIVE: June 12, 2003

MESSAGE TELECOMMUNICATIONS SERVICE

4.3 Two-Point Service (Cont'd)

4.3.2 Rates and Charges (Cont'd)

G. Service Charges (Cont'd)

- In-State Cost Recovery Charge

(T)

Rate per call[1]

\$ RR

A monthly service charge that is applied to AT&T Customers for in-state long distance calls placed from a residential telephone line or billed to a residential account. This charge reflects the cost to AT&T of providing in-state long distance and local toll calls over the customer's local exchange provider's network.

(C)

Customers in AT&T's Lifeline program and AT&T Local Customers as well as those customers making less than \$0.01 worth of long distance calls a month are exempt from this service charge.

(C)

(C)

NOTE 1: See Price List for current rates.

AT&T COMMUNICATIONS OF
THE MOUNTAIN STATES, INC.
COLORADO
ISSUED: April 30, 2004

TELECOMMUNICATIONS
SERVICES
PRICE LIST

SECTION: 4
PAGE: 4
RELEASE: 11
EFFECTIVE: May 15, 2004

MESSAGE TELECOMMUNICATIONS SERVICE

4.4 AT&T SelectCall Service

4.4.1 Rates and Charges

Usage charges for completed calls are the Dial Station rates as specified in Section 4.1.1 of this PRICE LIST.

Service Charge per call \$ 1.44

4.5 Reserved For Future Use

4.7 Non-Subscriber Service Charge

4.7.1 Rates and Charges

- Rate per call \$ 1.30

4.8 In-State Cost Recovery Charge

4.8.1 Rates and Charges

- Rate per month \$ 1.13(R)

4.9 Busy Line Verification/Interrupt

4.9.1 Rates and Charges

- Verify, per occurrence \$ 1.25

- Interrupt, per occurrence \$ 2.00

Colorado is a de-tariffed state as of 04/01/06. The In-State Connection Fee now resides in the AT&T Consumer Serviceguide.

<http://serviceguide.att.com/ratefinder/rates.cfm>

State **COLORADO**
Plan Name **AT&T In-State Connection Fee**
Effective Date **04/22/2007**
State Service Guide ID **MCT01012MC-CO**

Jurisdiction	Monthly Fee
In-State LD	\$0.79

Notes:

- These rates are subject to and part of the AT&T Service Guide for the offer referenced and may be changed and/or discontinued by AT&T.

New Mexico: Initial Tariff

A2. GENERAL REGULATIONS - CONDITIONS OF OFFERING (Cont'd)

2.6 SPECIAL TAXES, FEES, CHARGES

The rate schedules of the Company in New Mexico do not include any portion of the New Mexico gross receipts tax, county and municipal license, occupation and franchise taxes and payments, various county sales tax levies or municipal sales, gross receipts or other excise taxes authorized by Chapter 26, Laws of 1972 and Chapter 16, Laws of 1975, Special Session.

Insofar as practicable, the New Mexico gross receipts tax, county and municipal license, occupation, and franchise taxes and payments, the various county sales tax levies and municipal taxes authorized by Chapter 26, Laws of 1972 and Chapter 16, Laws of 1975, Special Session, may be billed by the Company to its Customers in the areas wherein such taxes are levied. All exemptions shall be as provided for and limited to those detailed in the Gross Receipts and Compensating Tax Act, the individual county sales tax acts or municipal tax ordinances.

2.6.1 IN-STATE CONNECTION FEE

A monthly service charge will be applied to each AT&T long distance residential customer's account. This monthly charge is applied if a customer has \$0.01 or more of AT&T billable charges and credits on their bill including, but not limited to, monthly recurring charges, or minimum usage charges. This charge does not contribute towards any applicable minimum monthly charge.

Customers in AT&T's Lifeline Program are exempt from this service charge.

RATES AND CHARGES

See A2 PRICE LIST.

2.7 CUSTOMER EQUIPMENT

The design, maintenance and operation of telecommunications service, envisions that communications will originate or terminate at a station of the associated service. Connections of Customer communications systems or Other Carrier Communications systems may be made to facilities furnished by the Company for telecommunications service, at a premises where the Customer does not originate or terminate communications. The Company will not be responsible for the through transmission of signals or for the quality of transmission on such connections.

2.8 OBSOLETE SERVICES

Services referred to as obsolete are no longer suitable to meet the current needs of the general public. They will not be furnished as a new entire item of service to any Customer or applicant.

Information previously shown on this page now appears on Page 13.2.

(N)

(N)

(M)

(M)

AT&T COMMUNICATIONS OF
THE MOUNTAIN STATES, INC.
NEW MEXICO

LONG DISTANCE SERVICES
PRICE LIST

SECTION: A2-PL

PAGE: 1

RELEASE: 1

ISSUED: September 17, 2003

EFFECTIVE: October 01, 2003

A2-PL. GENERAL REGULATIONS - CONDITIONS OF OFFERING

2.6 SPECIAL TAXES, FEES, CHARGES

2.6.1 IN-STATE CONNECTION FEE

In-State Connection Fee

Monthly
Charge
\$1.95

(N)

(N)

New Mexico: Current Tariff

A2. GENERAL REGULATIONS - CONDITIONS OF OFFERING (Cont'd)

2.6 SPECIAL TAXES, FEES, CHARGES

The rate schedules of the Company in New Mexico do not include any portion of the New Mexico gross receipts tax, county and municipal license, occupation and franchise taxes and payments, various county sales tax levies or municipal sales, gross receipts or other excise taxes authorized by Chapter 26, Laws of 1972 and Chapter 16, Laws of 1975, Special Session.

Insofar as practicable, the New Mexico gross receipts tax, county and municipal license, occupation, and franchise taxes and payments, the various county sales tax levies and municipal taxes authorized by Chapter 26, Laws of 1972 and Chapter 16, Laws of 1975, Special Session, may be billed by the Company to its Customers in the areas wherein such taxes are levied. All exemptions shall be as provided for and limited to those detailed in the Gross Receipts and Compensating Tax Act, the individual county sales tax acts or municipal tax ordinances.

2.6.1 IN-STATE CONNECTION FEE

(N)

A monthly service charge will be applied to each AT&T long distance residential customer's account. This monthly charge is applied if a customer has \$0.01 or more of AT&T billable charges and credits on their bill including, but not limited to, monthly recurring charges, or minimum usage charges. This charge does not contribute towards any applicable minimum monthly charge.

Customers in AT&T's Lifeline Program are exempt from this service charge.

RATES AND CHARGES

See A2 PRICE LIST.

(N)

2.7 CUSTOMER EQUIPMENT

The design, maintenance and operation of telecommunications service, envisions that communications will originate or terminate at a station of the associated service. Connections of Customer communications systems or Other Carrier Communications systems may be made to facilities furnished by the Company for telecommunications service, at a premises where the Customer does not originate or terminate communications. The Company will not be responsible for the through transmission of signals or for the quality of transmission on such connections.

2.8 OBSOLETE SERVICES

Services referred to as obsolete are no longer suitable to meet the current needs of the general public. They will not be furnished as a new entire item of service to any Customer or applicant.

Information previously shown on this page now appears on Page 13.2.

(M)

(M)

AT&T COMMUNICATIONS OF
THE MOUNTAIN STATES, INC.
NEW MEXICO

LONG DISTANCE SERVICES
PRICE LIST

SECTION: A2-PL

PAGE: 1

RELEASE: 2

ISSUED: April 6, 2007

EFFECTIVE: April 22, 2007

A2-PL. GENERAL REGULATIONS - CONDITIONS OF OFFERING

2.6 SPECIAL TAXES, FEES, CHARGES

2.6.1 IN-STATE CONNECTION FEE

	<u>Monthly Charge</u>	
In-State Connection Fee	\$0.43	(R)

Oklahoma: Initial Tariff & Current Tariff

AT&T COMMUNICATIONS OF THE SOUTHWEST, INC.

OKLAHOMA

MESSAGE TELECOMMUNICATIONS SERVICE

Issued: June 1, 2004

Effective: Juuly 1, 2004

Section 1

5th Revised Sheet 34

Replaces 4th Revised Sheet 34

MESSAGE TELECOMMUNICATIONS SERVICE

1.5 TWO-POINT SERVICE - (Continued)

1.5.6 Rates - (Continued)

C. Surcharges (Continued)

3. Transfer Service Fee

A Transfer Service Fee applies to all completed intrastate calls and to calls to intrastate Directory Assistance when the customer transfers to the AT&T Network from a Local Exchange Company Network. The transfer fee is applied in addition to any other applicable service charges or surcharges. The service fee does not apply to calls to 800 numbers, 800 numbers, calls to SelectCall service numbers or calls transferred to an AT&T operator by the Local Exchange Company operator in a local service resale arrangement.

- Per Call \$.75

4. A Monthly service charge will be applied to each AT&T long distance residential customer's account. This monthly charge is applied if a customer has AT&T billable charges and credits on their bill including, but not limited to, monthly recurring or minimum usage charges. This charge does not contribute towards any applicable minimum monthly charge.

Customers who have AT&T Local Telephone Service are exempt from this charge.

- Per Account Per Month
 \$1.95

(NR)

(NR)

Texas: Initial Tariff

AT&T COMMUNICATIONS OF TEXAS, L.P.

MESSAGE TELECOMMUNICATIONS SERVICE TARIFF

Issued: September 14, 2001

Effective: September 15, 2001

Section 1

Original Sheet 34.4.1

MESSAGE TELECOMMUNICATIONS SERVICE

1.5 TWO-POINT SERVICE - (Continued)

1.5.6 Rates - (Continued)

B. Service Charges - (Continued)

9. State Cost Recovery Charge (In-State Connection Fee)

(N)

A monthly charge will be applied to each AT&T long distance residential customer's account. This monthly charge is applied if a customer has \$1.00 or more of AT&T billable charges and credits on their bill, including, but not limited, to, monthly recurring charges, minimum usage, or Single Bill Fee charges. This charge does not contribute towards any applicable minimum monthly charge.

Customers in AT&T's Lifeline Program and Federal Price Protection Plan are exempt from this charge. Customers who have AT&T Local Exchange Service are also excluded from this charge.

Billing of this charge will commence on September 15, 2001, and applies on a per-account basis.

Monthly Charge, per account: \$1.95

(N)

Texas: Current Tariff

AT&T COMMUNICATIONS OF TEXAS, L.P.

MESSAGE TELECOMMUNICATIONS SERVICE TARIFF

Issued: April 20, 2007

Section 1

Effective: April 20, 2007

2nd Revised Sheet 34.4.1

Replacing 1st Revised Sheet 34.4.1

MESSAGE TELECOMMUNICATIONS SERVICE

1.5 TWO-POINT SERVICE - (Continued)

1.5.6 Rates - (Continued)

B. Service Charges - (Continued)

9. State Cost Recovery Charge (In-State Connection Fee)

A monthly service charge will be applied to each AT&T long distance residential customer's account. This monthly charge is applied if a customer has AT&T billable charges and credits on their bill, including, but not limited to, monthly recurring, minimum usage or Single Bill Fee charges. This charge does not contribute towards any applicable minimum monthly charge.

Customers in AT&T's Lifeline Program are exempt from this service charge. Customers who have AT&T Local Phone Service are also excluded from this charge.

Monthly Charge, per account: \$0.70

(R)

Utah: Initial Tariff

AT&T COMMUNICATIONS OF THE MOUNTAIN STATES, INC.
UTAH PRICE LIST
MESSAGE TELECOMMUNICATIONS SERVICE

PAGE: 1
RELEASE: 7
EFFECTIVE: MAY 3, 2004

2. MTS Schedule

2.1 DIAL STATION

MILEAGE BAND	INITIAL MINUTE	PEAK	INITIAL MINUTE	OFFPEAK	INITIAL MINUTE	WEEKEND	INITIAL MINUTE
		EACH ADDITIONAL MINUTE		EACH ADDITIONAL MINUTE		EACH ADDITIONAL MINUTE	
0- 10	\$0.39	\$0.39	\$0.30	\$0.30	\$0.22	\$0.22	
11- 22	0.39	0.39	0.30	0.30	0.22	0.22	
23- 55	0.39	0.39	0.30	0.30	0.22	0.22	
56-124	0.39	0.39	0.30	0.30	0.22	0.22	
125-292	0.39	0.39	0.30	0.30	0.22	0.22	
293-OVER	0.39	0.39	0.30	0.30	0.22	0.22	

A. Non-Subscriber Service Charge

A service charge that applies to all Direct Dialed, Operator Handled, Person-to-Person and Real Time Rated interLATA calls placed from Residential and Commercial telephones not presubscribed to AT&T as the Primary Interexchange Carrier (PIC). This service charge will apply in addition to the initial and additional period rates as set forth in Section 1.2.1.E.2a of this tariff. All other terms and conditions for Residential service are contained in AT&T's Consumer Service Guide.

Charge per Call
\$3.50

B. In-State Connection Fee

A monthly fee will be applied to each AT&T long distance residential Customer's account. This monthly charge is applied if the Customer has AT&T billable charges on their bill, including, but not limited to, monthly recurring charges or minimum usage charges. This charge does not contribute towards any applicable minimum charge.

The fee does not apply to customers on the AT&T Long Distance Lifeline plan or AT&T Local Service, if applicable.

Monthly Charge

In-State Connection Fee

\$ 0.69

(N)

(N)

Utah: Current Tariff

AT&T COMMUNICATIONS OF THE MOUNTAIN STATES, INC.
UTAH PRICE LIST
MESSAGE TELECOMMUNICATIONS SERVICE

PAGE: 1
RELEASE: 3
EFFECTIVE: MARCH 1, 2007

2. MTS Schedule

2.1 DIAL STATION

MILEAGE BAND	<u>PEAK</u>		<u>OFFPEAK</u>		<u>WEEKEND</u>	
	<u>INITIAL MINUTE</u>	<u>EACH ADDITIONAL MINUTE</u>	<u>INITIAL MINUTE</u>	<u>EACH ADDITIONAL MINUTE</u>	<u>INITIAL MINUTE</u>	<u>EACH ADDITIONAL MINUTE</u>
0- 10	\$0.39	\$0.39	\$0.30	\$0.30	\$0.22	\$0.22
11- 22	0.39	0.39	0.30	0.30	0.22	0.22
23- 55	0.39	0.39	0.30	0.30	0.22	0.22
56-124	0.39	0.39	0.30	0.30	0.22	0.22
125-292	0.39	0.39	0.30	0.30	0.22	0.22
293-OVER	0.39	0.39	0.30	0.30	0.22	0.22

A. Non-Subscriber Service Charge

A service charge that applies to all Direct Dialed, Operator Handled, Person-to-Person and Real Time Rated interLATA calls placed from Residential and Commercial telephones not presubscribed to AT&T as the Primary Interexchange Carrier (PIC). This service charge will apply in addition to the initial and additional period rates as set forth in Section 1.2.1.E.2a of this tariff. All other terms and conditions for Residential service are contained in AT&T's Consumer Service Guide.

Charge per Call
\$3.50

B. In-State Connection Fee

A monthly fee will be applied to each AT&T long distance residential Customer's account. This monthly charge is applied if the Customer has AT&T billable charges on their bill, including, but not limited to, monthly recurring charges or minimum usage charges. This charge does not contribute towards any applicable minimum charge.

The fee does not apply to AT&T Local Service, if applicable.

(T)

Monthly Charge

In-State Connection Fee

\$ 0.99

(I)

Oklahoma Notice

BOB ANTHONY
Commissioner

DENISE A. BODE
Commissioner

JEFF CLOUD
Commissioner

Oklahoma Corporation Commission

Suite 500, Jim Thorpe Office Building
P.O. Box 52000
Oklahoma City, OK 73152-2000
(405)521-4114
FAX: (405)522-3371
<http://www.OCC.State.OK.US>

Joyce E. Davidson, Director
Public Utility Division

TO: Office of the Court Clerk
Administrative Law Judge Maribeth D. Snapp
Administrative Law Judge Jacqueline Miller

FROM: Shirley Walker *SW*

DATE: 7/9/2004

SUBJECT: Cause No. PUD 200400242
AT&T Communications of the Southwest, Inc.

FILED
JUL - 9 2004
COURT CLERK'S OFFICE - OKC
CORPORATION COMMISSION
OF OKLAHOMA

Please be advised that the above referenced Cause is closed. Since no Commission Order was issued suspending the Applicant's proposed tariffs, the tariffs became effective without Commission Order. The tariffs are effective and this Cause is now closed.

SERVICE - ASSISTANCE - COMPLIANCE

Question: Has AT&T's In-State Connection Fee been denied approval in any States? If so, please identify those States and provide documentation providing the reasons(s) why the In-State Connection Fee was denied in each of those States.

Response: No, AT&T's In State Connection Fee has not been denied approval in any state.

Responsible Person: Eileen Somerville
Senior Pricing Manager
Business Marketing
AT&T Operations, Inc.
340 Mt. Kemble Avenue, Morristown, NJ

Question: Please identify and provide detailed information of any customer complaints or Orders to Show Cause that AT&T has received in other States regarding the In-State Connection Fee.

Response: (1) From November 2005 to the present, AT&T records show receipt of customer complaints or customer inquiries regarding the In-State Connection Fee from the following states where the In-State Connection Fee is assessed:

North Carolina – 1
Missouri – 1
New Jersey – 1
Ohio – 1
New York – 1
Tennessee – 1
Texas – 1
Alabama – 2
Louisiana – 1

In addition, AT&T records show receipt of one customer complaint and one customer inquiry regarding the In-State Connection Fee in Arizona.

(2) The respondent reviewed the company's internal mechanized record keeping system of regulatory proceedings for legacy AT&T CLECs (such as AT&T Communications of the Mountain States, Inc.) and did not find any indication that there has been a show cause proceeding regarding proposed or implemented In-State Connection Fees. The search covered the time period from 2001 to the present. Further, beyond the mechanized record keeping system, the respondent is not personally aware of any show cause proceeding involving an In-State Connection Fee.

Responsible Person: Eileen Somerville (regarding Response No. 1)
Senior Pricing Manager
Business Marketing
AT&T Operations, Inc.
340 Mt. Kemble Avenue, Morristown, NJ

Marshall Smith (regarding Response No. 2)
Area Manager-Regulatory Operations
AT&T Services, Inc
One AT&T Way, Bedminster, NJ

Question: As a result of the In-State Connection Fee, what other Proceedings have been held in other States? Please provide specifics and detailed information for each State.

Response: AT&T is aware of In-State Connection Fee proceedings in Washington, Missouri, and Minnesota.

Washington: The Washington State Attorney General Consumer Protection Division deactivated its investigation of AT&T's In-State Connection Fee in April 2005.

Missouri: In March 2007, the Cole County Circuit Court upheld the MoPSC's order approving AT&T's In-State Connection Fee from MoPSC Case No. TT-2002-129 (originally \$1.95 and later raised to \$2.49 per month). Public Counsel had opposed the tariff, which AT&T initially filed in August 2001. Public Counsel then appealed the tariff's approval to Cole County Circuit Court, which affirmed the Commission in June 2003. Public Counsel later appealed to the Missouri Court of Appeals for the Western District of Missouri, which remanded the case to the MoPSC on the ground that it had failed to make sufficient findings of fact and conclusions of law to justify its order approving the tariff. Acting on remand, the MoPSC took additional evidence and approved the tariff in an order issued December 15, 2005. Public Counsel in January 2006 appealed the MoPSC's order approving the tariff. After full briefing and an oral argument held March 8, 2007, the Cole County Circuit Court affirmed the MoPSC's order approving the tariff.

Minnesota: Between April 2002 and January 2003, a number of carriers, including AT&T, filed to introduce a monthly service charge for recovery of intrastate access charges. In February 2003 the Minnesota Department of Commerce (DOC) filed comments recommending rejection of the intrastate access recovery tariffs on grounds that the intrastate access recovery charges were misleading and discriminatory. In September 2003, the Commission issued an order allowing the carriers to charge a monthly fee to certain customers for explicit recovery of intrastate access charges.

Responsible Person: Eileen Somerville
Senior Pricing Manager
Business Marketing
AT&T Operations, Inc.
340 Mt. Kemble Avenue, Morristown, NJ

Question: Please identify and provide supporting documentation of all nationwide competitors of AT&T that have a similar In-State or Intrastate Connection Fee implemented.

Response: AT&T has not performed an extensive search to determine what nationwide competitors may have a similar charge. However, AT&T is aware that nationwide competitors that have implemented a similar charge include MCI, Embarq/Sprint and Qwest. As examples, a tariff page from each of these carriers is provided as follows.



scan.pdf (92 KB)

Responsible Person: Eileen Somerville
Senior Pricing Manager
Business Marketing
AT&T Operations, Inc.
340 Mt. Kemble Avenue, Morristown, NJ

Attachments to PJG2-8

Effective: January 23, 2006

INTRASTATE TELECOMMUNICATIONS SERVICES PRICE LIST

SECTION B - MISCELLANEOUS

2. Payphone Use Charge

An undiscountable per call charge will apply, as described in the Company's "Service Publication and Price Guide" (The Guide) located on the Company's website at www.verizonbusiness.com

3. Instate Access Recovery Fee

A monthly service charge that is applied to Customers subscribed to the Company for long distance services associated with a residential telephone line or billed to a residential account. This charge reflects costs incurred by the Company in providing in-state long distance service over Customer's local exchange provider's network. Customers will be exempt from this charge during any monthly period when company spending is less than \$1.00.

Monthly recurring charge: \$2.95

4. No Fault Found Dispatch Charge for Business Customers

The Customer is responsible for the payment of a No Fault Found Dispatch Charge. The charges are non-recurring, and are charged per visit as follows:

- ◆ Normal Working Hours : \$265 per visit
- ◆ Outside of Normal Working Hours : \$400 per visit

SECTION C - SERVICE DESCRIPTIONS AND RATES

1. General Description of Intrastate Telecommunication Services

- .01 Intrastate Telecommunication Services are offered to subscribers on a Metered Use Basis.
- .02 All service shall remain in effect for a minimum of thirty (30) days.
- .03 A customer may provide his own dedicated facilities to access the Company's terminal where such dedicated facilities are required.
- .04 The Company offers its services subject to the availability of the necessary facilities and/or equipment.

2. Method of Calculation

The airline mileage between two cities can be calculated using the Vertical (V) and Horizontal (H) Coordinates as obtained by reference to AT&T's Tariff F.C.C. No. 10 according to the following formula.

Formula:

$$\sqrt{\frac{(V_1V_2)^2 + (H_1H_2)^2}{10}}$$

Where V₁ and H₁ correspond to the V & H coordinates of City 1; and V₂ and H₂ correspond to the V & H coordinates of City 2.¹

¹ Result will always be rounded to the next highest mile.

4. TERMS AND CONDITIONS (Continued)

7. Payment of Charges (Continued)

3. Adjustments for Taxes, Fees, and Surcharges (Continued)

4. Carrier Cost Recovery Charge

The Company will assess a monthly \$0.99 Carrier Cost Recovery Charge. This charge helps defray The Company's overall costs of providing long distance service to residential consumers.

5. Frequent Flyer Excise Charge

The Company will assess a Frequent Flyer Excise Charge, on customers who participate in an Airlines/Company Partnership Program, based on the following formula: [Total Frequent Flyer Miles Earned] x \$0.0010 = *Frequent Flyer Excise Charge* (e.g., 270 total frequent flyer miles x \$0.0010 = \$0.27).

6. In-State Access Charge

Where applicable, the Company will assess a monthly In-State Access Charge of up to \$1.99 that is based on access costs the Company must pay to your local carrier to utilize local phone lines

7. Payphone Surcharge

The Company will assess a Payphone Surcharge as described in Section 6.5 of this Schedule.

INTEREXCHANGE TELECOMMUNICATIONS AND OPERATOR SERVICES

5. MISCELLANEOUS SERVICE OFFERINGS

5.2 INDEPENDENT TELEPHONE COMPANY HIGH USAGE SURCHARGE

The customer must originate and terminate at least eighty percent of their total usage of services in a tandem owned and operated by a Regional Bell Operating Company (RBOC) and subject to the RBOC's tariffed access charges. Qwest will apply a surcharge per minute of use to the number of minutes by which non-RBOC (originating and terminating) exceeds twenty percent of the customer's total usage of the services.

**HIGH USAGE
SURCHARGE**

- Per minute of use \$0.03

5.3 RESERVED FOR FUTURE USE

Issue Date: March 30, 2006

Effective Date: March 31, 2006

Jeffrey P. Wirtzfeld
Regional Director, Public Policy
1801 California Street
Denver, Colorado 80202

Question: Other than MCI as specified in AT&T's response to PJG1-6, please identify and provide supporting documentation of all competitors of AT&T within Arizona that have a similar In-State or Intrastate Connection Fee implemented.

Response: As noted in response to PJG1-6, AT&T has not performed an exhaustive examination of other carriers' tariffs. The MCI tariff is the only information readily available.

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